

#### REMARKS

Reconsideration and allowance of this application are respectfully requested in light of the above amendment and the following remarks.

Claim 1 has been amended to correct a typographical error. This amendment is considered to be non-narrowing; therefore, no estoppel should be deemed to attach thereto.

With regard to the objection applied to claim 5 and the indefiniteness rejection applied to claim 3, the Applicants respectfully submit that the issues discussed in the Office Action do not exist with respect to the presently pending claims. The Office appears to be examining the originally filed claims rather than the pending claims submitted in Applicants' Amendment dated February 15, 2006. Accordingly, withdrawal of the objection applied to claim 5 and the indefiniteness rejection applied to claim 3 is respectfully requested.

Claims 1-8, 21, and 24 stand rejected, under 35 USC §102(b), as being anticipated by Takaragi et al. (US 5,309,516). Claims 9-12 stand rejected, under 35 USC §103(a), as being unpatentable over Takaragi in view of Chen et al. (US 5,694,471). Claims 13-20, 22, and 23 stand rejected, under 35 USC §103(a), as being unpatentable over Takaragi in view of Chen and Yu et al. (US 6,067,621). The Applicants respectfully traverse these

rejections on the grounds that the applied references, taken alone or together, fail to teach or suggest the present claimed subject matter.

At the outset, the Applicants respectfully note that the Office Action fails to provide an adequately reasoned explanation of how the applied references anticipate or render obvious the claimed subject matter. Instead, the Office Action merely recites features of the claimed subject matter and indicates a passage in the reference that allegedly corresponds to the recited features, without providing any discussion or indication of how the disclosure in the cited passage relates to these features. For example, claim 1 recites a system having the major components of a cryptographic device and first and second security tokens. The Office Action provides no indication of which features disclosed by Takaragi are deemed to correspond to the cryptographic device and the first and second security tokens. Thus, given these deficiencies in the office action, it is impossible to determine the basis for the rejections so as to enable specific rebuttal of the Office's findings of facts and the conclusions drawn therefrom. As a result, the Applicants must present a more general rebuttal of the rejections, as provided below.

The Applicants respectfully submit that Takaragi fails to disclose the features recited in claim 1 of: (1) communicating first and second unique identifiers from first and second security tokens, respectively, to a cryptographic device, (2) producing, with the cryptographic device, first and second unique base keys using the first and second unique identifiers and a master group key, and (3) communicating the produced first and second unique base keys to the first and second security tokens, respectively.

By contrast to the above-noted claimed features, Takaragi discloses generating an identifier (ID) of a destination terminal at an originating terminal and communicating the generated destination terminal ID to an associated integrated circuit (IC) card (see Takaragi Fig. 2, step 206). The IC card selects a master key stored therein based on the received destination ID, generates a group key as a function of the selected master key, and communicates the generated group key to the origination terminal (see Fig. 2, steps 207-208, and Fig. 3, steps 304-306)). The origination terminal encrypts a message with the received group key and communicates the encrypted message and the destination ID to the destination terminal (see col. 7, line 57, through col. 8, line 24).

Takaragi's destination terminal communicates the destination ID to its own IC card, which selects a master key stored therein based on the received destination ID, generates a group key as a function of the selected master key, and communicates the generated group key to the destination terminal (Fig. 3 and col. 8, lines 25-34). Thereafter, the destination terminal decrypts the received encrypted message using the group key received from its IC card (col. 8, line 34-40).

In summary, Takaragi discloses that the origination and destination terminals each receive a group key from their respective IC cards. However, neither these group keys nor any other information that may be communicated by the IC cards is used by Takaragi's terminals to generate a key. Thus, Takaragi's terminals do not correspond to the Applicants' claimed cryptographic device that receives a unique identifier and generates a key using this received identifier.

Although Takaragi's IC cards each: (1) receive a destination terminal ID from their respective terminals, (2) generate a key based on the received ID, and (3) communicate the generated key to their respective terminals, the destination terminal ID used by the IC card associated with the origination terminal is identical to the destination terminal ID used by the IC card associated with the destination terminal. Thus, Takaragi does

not disclose the Applicants' claimed features of (1) communicating first and second unique identifiers from first and second security tokens, respectively, to a cryptographic device and (2) producing, with the cryptographic device, first and second unique base keys using the first and second unique identifiers and a master group key.

Moreover, Takaragi discloses that each of two IC cards produces a key using an ID received from its associated terminal. Takaragi does not disclose that either IC card individually produces a key for the origination terminal and a key for the destination terminal. Thus, Takaragi does not disclose the claimed feature a single cryptographic device that generates first and second unique base keys using first and second unique identifiers received from first and second security tokens, respectively. As a result, it necessarily follows that Takaragi cannot disclose the claimed feature of a single cryptographic device that communicates the generated first and second unique base keys to the first and second security tokens, respectively.

Accordingly, the Applicants respectfully submit that Takaragi does not anticipate the subject matter of claim 1.

Independent claim 5 similarly recites the above-described features distinguishing apparatus claim 1 from Takaragi, but with

respect to a method. Therefore, allowance of claims 1 and 5 and all claims dependent therefrom is warranted.

Claim 8 recites first and second security tokens that each exchange a different unique identifier with one another for use in generating equal keys. The Applicants submit that Takaragi also lacks any teaching of this subject matter, for the following reasons.

Instead of teaching the above-noted features of claim 8, Takaragi discloses, as described above, an origination terminal that communicates a destination terminal's ID directly to a first IC card and indirectly to a second IC card, via the destination terminal. Both the first and second IC cards generate respective keys based on the received destination terminal ID.

However, Takaragi does not disclose that the second (i.e., destination-side) IC card communicates any information to the origination terminal. Instead, Takaragi discloses that the only keys generated for encrypting and decrypting messages during a communication session are generated based on the destination terminal's ID.

Moreover, if one of Takaragi's two IC cards is deemed to correspond to one of the claimed security tokens, then one of Takaragi's two communication terminal cannot reasonably be deemed to correspond to the other claimed security token, and vice

versa. Takaragi does not disclose that the two IC cards (assuming the Office deems these to correspond to the two claimed security tokens) exchange any information. And if the Office deems that Takaragi's communication terminals correspond to the claimed security tokens, the Takaragi reference is still deficient because it does not disclose that these terminals generate keys or exchange different unique identifiers for producing keys.

Accordingly, the Applicants submit that Takaragi does not anticipate the subject matter defined by claim 8. Therefore, allowance of claim 8 and all claims dependent therefrom is warranted.

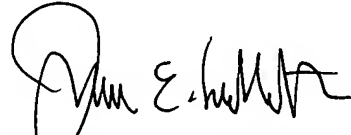
Independent claim 22 similarly recites the above-mentioned feature distinguishing apparatus claim 8 from Takaragi, but with respect to a method. Since the Office Action does not cite Chen or Yu for supplementing the teachings of Takaragi with respect to this feature, Applicants submit that the applied references, considered alone or together, do not render obvious the subject matter defined by claim 22. Therefore, allowance of claim 22 and all claims dependent therefrom is warranted.

In view of the above, it is submitted that the applied art of record, whether considered singly or in combination, fails to disclose or render obvious the present claimed subject matter. It

is submitted that this application is in condition for allowance,  
and a notice to that effect is respectfully solicited.

If any issues remain which may best be resolved through a  
telephone communication, the Examiner is requested to telephone  
the undersigned at the local Washington, D.C. telephone number  
listed below.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "James E. Ledbetter". The signature is stylized with a large initial "J" and a cursive "E".

James E. Ledbetter  
Registration No. 28,732

Date: October 10, 2006  
JEL/DWW/att

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